

ATTACHMENT 1

**AUSTIN HOUSING FINANCE CORPORATION**  
**Application for G. O. Bond Financing for Homeownership Projects**

Project Name: WESTGATEProject Address: 2903 Cameron Loop, Austin, Texas Zip Code 78745Total number of units to be assisted with G.O. Bond Funds: 50 Total number of units in project: 50Project type: ☒ Predevelopment ☒ Acquisition ☐ Rehabilitation ☒ New constructionAmount of funds requested: \$1,815,300 Terms: Forgivable, Deferred 0% Interest, LoanRole of applicant/developer in Project (check all that apply): ☒ Owner ☒ Developer ☒ Sponsor

- 1. Applicant Information** (If applicant is not acting as the developer, please provide all of the information below for the developer as well as for the applicant. If the developer involves multiple entities, is a partnership or joint venture, please provide duplicative information for each, and identify the entity that will serve as the "lead" organization).

**APPLICANT**Austin PeopleTrust, Inc., a Texas non-profit 501(c)(3) corporation  
Name207 Chalmers  
Street AddressAustin Texas, 78702 (512) 472-8087  
City State, Zip Telephone #Kelly Weiss (512) 472-8087 (512) 472-8191  
Contact Person Contact's Telephone # Fax #20-4467651  
Federal Tax ID Number or SS#

## DEVELOPER

Momark Development, LLC or a Partnership controlled by Momark  
Name

1717 West 6<sup>th</sup> Street, Suite 410  
Street Address

Austin Texas, 78703 (512) 391-1789 ext. 112  
City State, Zip Telephone #

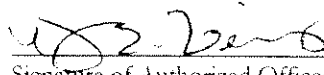
Terry Mitchell (512) 391-1789 ext. 112 / (512) 924-8066 (512) 233-2331  
Chris Risher (512) 391-1789 ext. 115 / (512) 203-8381 (512) 233-2331  
Contact Person Contact's Telephone # Fax #

20-1047138

Federal Tax ID Number or SS#

The applicant/developer certifies that the data and exhibits contained comprising this application are true and correct. Unsigned/undated submissions will not be considered.

Austin PeopleTrust, Inc.  
Legal Name of Applicant

  
Signature of Authorized Officer

Kelly Weiss, Executive Director  
Title

7/2/2009  
Date

Momark Development, LLC  
Legal Name of Developer

  
Signature of Authorized Officer

Manager  
Title

7/2/09  
Date

2. For non-profit applicants/developers only, include copies of the following:

**(SEE EXHIBIT #1)**

- a. Articles of Incorporation
- b. Certificate of Incorporation filed with the State of Texas
- c. Federal IRS certification granting non-profit status
- d. Names, addresses, phone numbers and email addresses of current board members
- e. Certified financial audit for most recent year, which shall include the auditor's opinion and management letters
- f. Board resolution approving the proposed project and authorizing the request for funding

## WESTGATE PROJECT DESCRIPTION

The Westgate property consists of approximately 9.41 undeveloped acres and is located at 2903 Cameron Loop in Southwest Austin, which is in a high opportunity area for affordable housing according to the City of Austin's Comprehensive Opportunity Map. The surrounding schools include Cowan Elem (Recognized), Covington Middle School (Acceptable), and Bowie HS (Recognized). Approval of this application will provide approximately 50 single family detached homes to homebuyers of 80% MFI or below, with home prices ranging from approximately \$95,000 to \$145,000 for 900 to 1,750 square feet.

Momark Development, LLC will be responsible for closing on the property and developing it into approximately fifty 40' x 90' single family detached lots. Momark Development, LLC will then be responsible for building the detached, single-family homes. MoMark and PeopleTrust will be responsible for marketing and selling the homes, and FrameWorks CDC will provide homebuyer counseling. All homes will be built to S.M.A.R.T. Housing Standards and will receive from Momark Development, LLC a 10-year limited warranty that includes a 10-year structural warranty; a two-year warranty on electrical components, heating and cooling systems, and plumbing; and a one-year warranty for all other components of the home.

Two development challenges include: 1). Development around a pipeline on the property, and 2). a number of large trees that may decrease the number of available lots in the development.

The property is currently zoned SF-6 and has one single family detached structure built on it, which we intend to remove prior to starting development.. The owner of the property occupies this home; relocation is not an issue. To the best of our knowledge, the property is compatible with the current Neighborhood Plan

The total project cost is estimated to be \$7,006,654. The purchase price of the property is \$800,000 and the current development cost estimates total approximately \$1,841,354. Home Construction costs are an estimated \$4,150,000, including, warranty, closing costs, and soft costs. PeopleTrust's developer fee for the project, including Shared Equity Homeownership Program administration is \$200,000, in addition to \$15,300 to FrameWorks CDC for homebuyer counseling. Funding in the amount of \$1,815,300 is requested to cover \$800,000 I acquisition; \$800,000 in development/predevelopment; \$200,000 in developer fees; and \$15,300 in homebuyer education. The remaining \$5,191,354 of the total projects costs will be 100% funded by Momark Development, LLC and its partners and lenders.

PeopleTrust will administer and manage the Shared Equity Homeownership Program for this development, in order to achieve long-term affordability. PeopleTrust will serve as the compliance agent to insure income eligible families occupy the units. PeopleTrust will also manage resales to ensure another income eligible family is able to purchase these units. We are committed to providing long-term affordable homeownership through a Shared Appreciation Loan Program or a Community Land Trust to achieve 99-year affordability.

## 7. Development Team

Identify the entities anticipated to be involved in implementing the project including lenders, attorneys, accountants, architects, engineers, general contractor, sub-contractors, property managers and consultants. Also, indicate if any entity is certified by the City of Austin as a minority or women-owned business enterprise (MBE/WBE), or if any of the entities are also a non-profit entity.

	Name(s) & Any Comments on Role	MBE? (Mark X if Yes)	WBE? (Mark X if Yes)	Non- profit? (Mark X if Yes)
Owner	Momark Development, LLC			
Developer	Momark Development, LLC			
Architect	Some Assembly Required (Chris Allen) or other to be identified			
Engineer	Pate Engineers			
Construction Lender	IBC Bank, or other(s) to be identified			
Attorney	Tim Taylor			
Accountant (MoMark)	Danny Powell-Powell Ebert and Smolik-CPA Donna Schubkegel-Madison Interests-bookkeeping			
General Contractor (Home Construction)	David Weekley, or others to be identified			
Consultant (if Applicable)	TBG Partners – Land Planning			
Property Management Provider	Association Management, Inc., or other to be identified			
Shared Equity Housing Partner	Austin PeopleTrust			X
Accountant (PeopleTrust)	Montemayor Hill & Company, PC	X		
Homebuyer Counseling	FrameWorks CDC			X

8. **Development Schedule.** Complete the grid below. Re-order the steps according to the appropriate sequence for your project, and add in any other significant steps integral to your project's development. If the development schedule differs across several properties to be involved in the project, provide a development schedule for each property. Please be as precise as possible, narrowing dates by 15 day intervals.

	DATE(S)
Acquisition and/or holding	August 6, 2009
Environmental and/or historic review (AHFC)	Unknown
Securing and packaging project financing	Fall 2009
Construction Specifications and Cost estimates	Fall 2009
Construction Bids	January – March, 2010
Construction Start	March 2010
Anticipated Draws (list all)	August 15, 2009 September 15, 2009 October 15, 2009 November 15, 2009 December 15, 2009 January 15, 2010 February 15, 2010 March 15, 2010
End/ Completion of Construction	July 2010
Open for Sales	August 2010
Project Completion (i.e., all homes conveyed to low to moderate income buyers)	September 2011

9. **Experience and Qualifications – Homeownership Development**

- a. Is this the developer's first housing project? ☐ Yes ☒ No
- b. Is this the developer's first affordable housing project? ☐ Yes ☒ No
- c. Completed projects (complete table below):

COMPLETED PROJECTS				
Address	Number of Units	New or Rehab	Type of Property (apartments, SF units, etc.)	Year Completed
SEE ATTACHED Project List & Resumes for MoMark				
Mueller Airport Redevelopment Phase I & II (PeopleTrust)	125	New	SF/row homes	2009

- d. Describe below the experience/qualifications in completing projects similar in size and scope that indicates the developer's ability and capacity to implement and complete the proposed project. If this is the applicant's first project of this type, please provide a detailed description of the experience of the other members of the development team with similar projects.

**SEE EXHIBIT #6**

10. **Detailed Project Budget** - Use the following table, or comparable format, to provide a complete project budget. Add line-items as necessary to detail the specific funding being requested. Delineate all prior and currently requested A&D funding by individual line item.

<b>DETAILED PROJECT BUDGET</b>				
	<b>Total Project Cost</b>	<b>Prior A&amp;D Funds Used in Project</b>	<b>A&amp;D Funds Being Requested</b>	<b>Description</b>
<b>ACQUISITION</b>				
Site and/or Land	\$800,000	N/A	\$800,000	Acquisition of 9.41 acres of raw land; Paid to Seller
<b>TOTAL ACQUISITION</b>	\$800,000	N/A	\$800,000	
<b>DEVELOPMENT</b>	\$1,841,354	N/A	\$800,000	See attached budget; Paid to MoMark
<b>HOME CONSTRUCTION</b>	\$4,150,000	N/A		Includes warranty expenses, homebuyer closing costs, sales commissions, broker fees, carry and G&A. Does not include overhead.
<b>HOMEBUYER COUNSELING</b>	\$15,300	N/A	\$15,300	Fee paid to FrameWorks for homebuyer counseling
<b>SHARED EQUITY ADMIN</b>	\$200,000	N/A	\$200,000	Program admin, , and developer fee paid to PeopleTrust
<b>TOTAL PROJECT BUDGET</b>	<b>\$7,006,654</b>		<b>1,815,300</b>	

**11. Funds Proposal** - Provide the following information to facilitate financial review of the proposed project:

- a. **Sources and Uses of Funds** – Complete Tables A & B below, identifying all sources and uses of funds to implement project and include evidence of funds anticipated (financial statements, letters of commitments, etc.).
- b. **Leveraging** – Complete Table C below. Include evidence of other funds leveraged by AHFC funds to implement the project such as owner equity and commitments from private and/or other public resources.

<b>TABLE A: SOURCES OF FUNDS SUMMARY</b>					<b>Intended Use of Funds (Predevelopment, Acquisition, Construction, Soft Costs)</b>
	Term	Interest Rate	Amount	Evidence (Deed, Sales Contract)	
Other Sources (List below)					
Development Partners and Lender Financing	TBD	TBD	\$5,191,354	See attached Sale Contract	Development, construction, marketing, sales, closing costs, costs
Proposed G. O. Bond Funds	n/a	n/a	\$1,815,300	n/a	Acquisition and Development Soft Costs, Shared Equity Pro Admin, Homebuyer Counselin

<b>TABLE B: USES OF FUNDS SUMMARY</b>		
	Total Cost	Cost/Unit
Predevelopment	\$1,841,354	\$ 36,827
Acquisiton	\$800,000	\$16,000
Hard Costs	\$3,625,000	\$72,500
Soft & Carrying Costs	\$525,000	\$10,500
Developer Fee, Homebuyer Counse	\$215,300	4306
<b>Total Project Costs</b>	<b>\$ 7,006,654</b>	<b>\$ 140,133</b>

<b>TABLE C: LEVERAGE SUMMARY</b>	
<b>TOTAL A&amp;D G. O. BOND FUNDS</b>	<b>\$1,815,300</b>
<b>TOTAL OTHER FUNDS</b>	<b>\$5,191,354</b>
<b>LEVERAGE % – G.O. BOND FUNDS</b>	<b>35%</b>

**TABLE D: AFFORDABILITY DATA**

<i><b>PROJECTED – based on site development constraints</b></i>	<b>House Model One</b>	<b>House Model Two</b>	<b>House Model Three</b>	<b>House Model Four</b>	<b>House Model Five</b>	<b>House Model Six</b>
<b>Number of Bedrooms</b>	2	3	3	4	4	4
<b>Est. Square Footage</b>	900	1,100	1,412	1,414	1,448	1,733
<b>Est. Anticipated Sale Price</b>	\$95,000	\$112,000	\$123,000	\$124,000	\$125,000	\$145,000
<b>Borrower Contribution</b>	Closing Costs	Closing Costs	Closing Costs	Closing Costs	Closing Costs	Closing Costs
<b>Homebuyer Subsidy</b> (List all sources separately)	n/a (see below)	n/a (see below)	n/a (see below)	n/a (see below)	n/a (see below)	n/a (see below)
<i>Anticipated applications for Wells Fargo Foundation, Employer Assisted Housing (Seton), and others for homebuyer subsidy</i>						
<b>Est. Total Principal Amount of Mortgage</b>	\$95,000	\$112,000	\$123,000	\$124,000	\$125,000	\$145,000
<b>Anticipated Interest Rate</b>	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%
<b>Est. HOA Fee</b>	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00
<b>Est. Monthly Principal Amount</b>	\$85.88	\$100.00	\$111.19	\$112.10	\$113.00	\$131.08
<b>Est. Monthly Interest</b>	\$514.58	\$590.00	\$666.25	\$671.67	\$677.08	\$785.42
<b>Estimated Monthly Taxes</b>	\$153.06	\$193.33	\$198.17	\$199.78	\$210.39	\$233.61
<b>Estimated Monthly Insurance</b>	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00
<b>TOTAL Estimated PITI</b>	\$843.52	\$973.33	\$1,065.61	\$1,073.55	\$1,080.47	\$1,240.11

**12. Neighborhood Support**

Include letters of support from all organizations registered with the City of Austin within the area of the proposed project.

**(SEE EXHIBIT # 7)**

**13. Partnership with Non-profit entities**

Momark Development and PeopleTrust will partner with the nonprofit organization, Frameworks, who will bring homebuyers to the community that have conducted a minimum 8-hour homebuyer education seminar and a 2 hour one-to-one counseling session. Momark and PeopleTrust will also partner on marketing to bring qualified individuals to the community. PeopleTrust will serve as the Shared Equity Housing Program Administrator and Compliance Agent to ensure permanent affordability.

**(SEE EXHIBIT # 8)**

**14. Accounting Requirements**

By submitting this application, the applicant/developer agrees to comply with all reporting, record keeping, and on-going monitoring requirements applicable to G.O. Bond financing of the proposed project.

**15. Anti-Lobbying Agreement**

By submitting this application, the applicant/developer, its employees, representatives, or agents agree not to discuss the contents of the applicant/developer's application with any member of the AHFC Board of Directors or their staff, Housing Bond Review Committee (HBRC) or staff of